

# TREATMENT OF SALES TO OR SALES BY A UTAH INDEPENDENT ENTITY

Independent Entity	Statutory Description	Exemption		Statutory Exemption Language
		Sales To Entity Exempt	Sales By Entity Exempt	
Utah Dairy Commission	“independent state agency” <sup>1</sup>	✓ <sup>2</sup>	✓ <sup>2</sup>	
Heber Valley Railroad Authority	“independent state agency and a body politic and corporate” <sup>3</sup>	✓	✓	“The authority and its operators are exempt from sales and use tax imposed under Title 59, Chapter 12.” <sup>4</sup>
Utah Science Center Authority	“independent state agency and a body politic and corporate” <sup>5</sup>	✓	✓	“The authority and its operators are exempt from sales and use tax imposed under Title 59, Chapter 12.” <sup>6</sup>
Utah Housing Corporation	“an independent body politic and corporate” <sup>7</sup>	✓ <sup>8</sup>		
Utah State Fair Corporation	“independent public nonprofit corporation” <sup>9</sup>			✓ <sup>10</sup>
Workers’ Compensation Fund	“nonprofit, quasi-public corporation” <sup>11</sup>			
Utah State Retirement Office	“independent state agency” <sup>12</sup>	✓ <sup>13</sup>		
School and Institutional Trust Lands Administration	“independent state agency” <sup>14</sup>	✓ <sup>15</sup>	✓ <sup>15</sup>	

Independent Entity	Statutory Description	Sales To Entity Exempt	Sales By Entity Exempt	Exemption	Statutory Exemption Language
Utah Communications Agency Network	“independent state agency” <sup>16</sup>	✓	✓	501(c)(3) - Sales To/By Entity Exempt	"The property and the Utah Communications Agency Network are exempt from all taxes and special assessments of any public body. This tax exemption does not apply to any portion of a project used for a profit-making enterprise." <sup>17</sup>
Utah Capital Investment Corporation	“independent quasi-public nonprofit corporation” <sup>18</sup>			✓ <sup>19</sup>	

1. Utah Code Ann. § 4-22-2 (2006).
2. A representative of the Utah Dairy Commission noted that they are not paying sales and use taxes on sales by the Utah Dairy Commission. However, the representative was not certain as to the Utah Dairy Commission's statutory or administrative basis for this practice. Telephone interview by Rebecca Rockwell, Associate General Counsel, Office Of Legislative Research and General Counsel, with Jen Harrison, Utah Dairy Commission, in Salt Lake City, Utah (Oct. 20, 2006). The Utah Dairy Commission's representative further noted that the sales made by the Utah Dairy Commission are minimal, consisting mostly of items such as nutritional education and promotional items. *Id.*
3. Utah Code Ann. § 9-3-302 (2006).
4. Utah Code Ann. § 9-3-311 (2006).
5. Utah Code Ann. § 9-3-403 (2006).
6. Utah Code Ann. § 9-3-411 (2006).
7. Utah Code Ann. § 9-4-904 (2006).

8. The Utah Housing Corporation views itself as a state agency and understands its sales and use tax exemption as stemming from the exemption for "sales to the state, its institutions, and its political subdivisions," which excludes sales of certain construction materials. Utah Code Ann. § 59-12-104(2) (2006). Telephone interview by Rebecca Rockwell, Associate General Counsel, Office Of Legislative Research and General Counsel, with Dave Thackery, Utah Housing Corporation, in Salt Lake City, Utah (Oct. 19, 2006).
9. Utah Code Ann. § 9-4-1103 (2006).
10. Utah State Fair Corporation, Financial Statements For the Year Ended June 30, 2004 (Report No. 04-01), at 10.
11. Utah Code Ann. § 31A-33-102 (2006). The Workers' Compensation Fund pays sales and use taxes on purchases and does not sell any tangible personal property. The Workers' Compensation Fund is recognized as a § 501(c)(27)(b) entity under the Internal Revenue Code.
12. Utah Code Ann. § 49-11-201 (2006).
13. The Utah State Retirement Office understands its sales and use tax exemption as stemming from the exemption for "sales to the state, its institutions, and its political subdivisions," which excludes sales of certain construction materials. Utah Code Ann. § 59-12-104(2) (2006). Telephone interview by Rebecca Rockwell, Associate General Counsel, Office Of Legislative Research and General Counsel, with Kim Kellersberger, Utah State Retirement Office, in Salt Lake City, Utah (Oct. 19, 2006).
14. Utah Code Ann. § 53C-1-201 (2006).
15. A representative of the Utah School and Institutional Trust Lands Administration (SITLA) noted that they are not paying sales and use taxes on sales to or collecting sales and use taxes on sales by SITLA. However, the representative was not certain as to SITLA's statutory or administrative basis for this practice. Telephone interview by Rebecca Rockwell, Associate General Counsel, Office Of Legislative Research and General Counsel, with Ron Carlson, SITLA, in Salt Lake City, Utah (Oct. 19, 2006). SITLA's representative further noted that the sales made by SITLA are minimal, consisting mostly of items such as maps. *Id.*
16. Utah Code Ann. § 63C-7-201 (2006).
17. Utah Code Ann. § 63C-7-208(2) (2006).
18. Utah Code Ann. § 63-38f-1207 (2006).
19. A representative of the Utah Capital Investment Corporation commented that they had not made many purchases, and had paid sales and use taxes on the purchases they had made. The representative also mentioned that the Utah Capital Investment Corporation does not make any sales. He noted that the Utah Capital Investment Corporation is recognized as a 501(c)(3) entity under the Internal Revenue Code, and we discussed the possibility of them claiming a sales and use tax exemption on future purchases as a 501(c)(3) entity. Telephone interview by Rebecca Rockwell, Associate General Counsel, Office Of Legislative Research and General Counsel, with Jeremy Nelson, Utah Capital Investment Corporation, in Salt Lake City, Utah (Oct. 19, 2006).

